



News from

Congressman Ron Kind

REPRESENTING WISCONSIN'S THIRD
CONGRESSIONAL DISTRICT

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Kind Urges President to Free Up More Fuel, Drive Down Costs

Proposes return to successful energy policy; crude oil deferrals that maximize domestic supply

Washington, DC – In a letter to President Bush, Ranking Member of the House Subcommittee on Energy and Minerals U.S. Rep. Ron Kind (D-WI) urges the administration to return to previous energy policy that would allow more oil to remain on the market for consumers who are now paying record high prices to fill their gas tanks. Kind specifically asks the President to call upon the Department of Energy (DOE) to review and revert back to its previous policy of filling the Strategic Petroleum Reserve (SPR) when crude oil prices are relatively low and deferring when prices are high.

“As the Representative of Wisconsin’s Third Congressional District, I hear from our constituents daily about the financial strain of increasing gasoline prices,” stated Kind in the letter. “Filling the SPR, without regard to crude oil prices and the availability of supplies, drives oil prices higher and ultimately hurts consumers.”

The Strategic Petroleum Reserve is the United States’ emergency oil stockpile, created in 1975 after oil supplies were cut off during the 1973-74 oil embargo. Prior to 2002, the DOE granted oil company requests to defer scheduled oil deliveries to the SPR when oil prices were high, in return for deposits of extra oil at a later date. Despite skyrocketing gas prices, the Bush administration has continued to fill the SPR, diverting oil out of the market. Deferring the oil shipments as Kind recommends, would not only drive down gas prices, but would also save taxpayers’ money since filling the SPR, regardless of oil prices, increases taxpayer costs.

In the letter, Kind noted that the rising cost of gas not only hurts consumers and compromises Wisconsin’s economy, but is also a reminder that adopting a long-term energy policy is critical to developing self-sufficiency with regard to the nation’s energy needs.

“Such an energy policy should ensure an adequate supply of oil, greater reliance on alternative and renewable energy sources, and the creation of new technologies that promote energy efficient programs,” wrote Kind. “I urge you to take these recommendations under consideration and suspend shipments to the SPR until crude oil supplies increase and prices decrease.”

Letter attached.